

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** DAYN HARDIE  
DEPUTY ATTORNEY GENERAL

**DATE:** JULY 14, 2021

**SUBJECT:** IN THE MATTER OF AVISTA'S APPLICATION FOR AN ACCOUNTING ORDER AUTHORIZING ACCOUNTING AND RATEMAKING TREATMENT OF COSTS RELATED TO ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION; CASE NOS. AVU-E-21-06 AND AVU-G-21-05

On July 6, 2021, Avista Corporation dba Avista Utilities ("Company") applied to the Commission for authorization of accounting and ratemaking treatment related to Allowance for Funds Used During Construction ("AFUDC"). The Company seeks authority to amortize the regulatory asset<sup>1</sup> using the approved depreciation rate by plant FERC account that has been approved by the Commission in the most recent depreciation study and to be able to update the amortization rate with each depreciation study going forward. The Company requests its Application be processed by modified procedure.

### STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure establishing a twenty-one (21) day public comment deadline and a seven (7) day Company reply deadline.

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<sup>1</sup> The Company was authorized to defer the difference calculated between the state regulatory AFUDC rate and the FERC AFUDC rate and amortize the balance over the composite remaining life of the plant-in-service. *See* Order No. 34326.

## COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure establishing a twenty-one (21) day public comment deadline and a seven (7) day Company reply deadline?



Dayn Hardie  
Deputy Attorney General

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